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ABSTRACT OF THE DISCLOSURE

A method for implementing non-reference frame prediction in video compression comprising the steps of (A) setting a prediction flag (i) "off" if non-reference frames are used for block prediction and (ii) "on" if non-reference frames are not used for block prediction, (B) if the prediction flag is off, generating an output video signal in response to an input video signal by performing an inverse quantization step and an inverse transform step in accordance with a predefined coding specification and (C) if the prediction flag is on, bypassing the inverse quantization step and the inverse transform step.

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